

ONE HUNDRED FIFTEENTH CONGRESS
Congress of the United States
House of Representatives

171

COMMITTEE ON ENERGY AND COMMERCE

2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927

Minority (202) 225-3641

March 9, 2018

The Honorable Ajit Pai
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Dear Chairman Pai:

As the Federal Communications Commission (FCC or Commission) moves forward on its many initiatives to close the digital divide, we are writing to request that you act expeditiously to revise the Commission's operating expense limitation rules as they pertain to carriers serving Tribal lands, providing them much needed relief.

Access to high-speed broadband has become an integral part of individual and community economic prosperity. Unfortunately, basic broadband access in rural and tribal areas continues to lag behind. Over 35 percent of Americans in Tribal lands lack access to high-speed broadband, as compared to only 2 percent of Americans in urban areas.

Carriers serving Tribal lands face unique challenges in providing broadband service. The Commission itself noted, "Substantial barriers to telecommunications deployment are prevalent throughout Tribal lands. Those barriers include rural, remote, rugged terrain and areas that are not connected to a road system that increase the cost of installing infrastructure, limited financial resources to pay for telecommunications services that deter investment by commercial providers, a shortage of technically trained Native Nation members to plan and implement improvements, and difficulty in obtaining rights-of-way to deploy infrastructure across some Tribal lands."¹

These numerous challenges translate to considerable operating expenses that the tribal

¹ Improving Communications Services for Native Nations, CG Docket No. 11-41, Notice of Inquiry, 26 FCC Rcd 2672, para. 1 (2011) (Native Nations NOI).

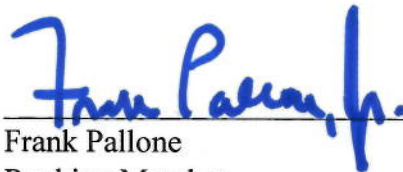
carriers must recover. Given the continued gaps in broadband deployment on Tribal lands, it is critical that the Commission update its rules to ensure that FCC policies accurately reflect the realities that carriers serving Tribal lands face. Revising the operating expense limitation rules will allow carriers serving Tribal lands to be adequately compensated for necessary expenses, enabling these carriers to continue deployment in unserved areas.

We support the Commission's larger effort to promote broadband deployment throughout the country and look forward to continuing to work with you to close the digital divide.

Sincerely,



Greg Walden
Chairman



Frank Pallone
Ranking Member



Ben Ray Luján
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

April 24, 2018

The Honorable Ben Ray Luján
U.S. House of Representatives
2231 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Luján:

Thank you for your letter on the impact of the FCC's 2016 operating-expense limitations on closing the digital divide on Tribal lands. In my first remarks to FCC staff as Chairman, I declared that my highest priority would be making sure every American who wants high-speed Internet access can get it. Nowhere in America is the digital divide as stark as it is on Tribal lands. Too many Americans today are on the wrong side of the digital divide. That's why I am happy to report that on April 4, 2018, the Commission adopted an Order addressing this matter.

The Order adopted by the Commission allows certain rate-of-return carriers serving Tribal communities to recover higher levels of operational expenses from the Universal Service Fund, given the unique and challenging circumstances that make it more expensive to serve Tribal lands. This action will provide additional funding to these carriers to provide both voice and broadband services to their customers. To be sure, this was not the same Order I originally proposed in February 2017, a few weeks after I became Chairman. I would have extended support to even more carriers that serve Tribal lands. But in the interest of finally getting something done, I chose to find agreement with those commissioners who were willing to work in good faith on ways to help carriers serving Tribal lands.

Of course, more needs to be done. That's why, for example, the Commission recently agreed to solicit public input on the adoption of a Tribal Broadband Factor, which would provide additional financial assistance to carriers serving Tribal lands. But the recent Order is an important one that will help bring digital opportunity to struggling communities.

I appreciate your support for the Commission's efforts to promote broadband deployment in Tribal areas and throughout the country, and I look forward to continuing to work with you to close the digital divide. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, which appears to read "Ajit V. Pai", is positioned above the printed name.

Ajit V. Pai



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

April 24, 2018

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Ranking Member
Committee on Energy and Commerce
U.S. House of Representatives
2322A Rayburn House Office Building
Washington, D.C. 20515

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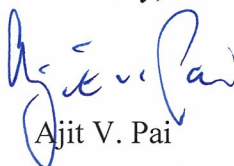
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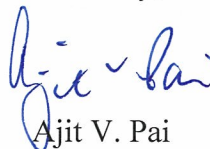
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